

2026 Regular Session

SENATE BILL NO. 489

BY SENATOR EDMONDS

MOTOR VEHICLES. To authorize third party vendors to conduct a license plate inquiry on motor vehicles to verify insurance liability coverage. (8/1/26)

1 AN ACT

2 To amend and reenact R.S. 32:863.2(A)(1), (2), (3), (4) and (6), (B), (C), (E)(1) and (2),  
3 (F)(1), (2), (4), (5), and (6), to enact R.S. 32:863.2(7), relative to third party inquiries  
4 on motor vehicle license plates; to authorize third parties to conduct inquiries on  
5 motor vehicle license plates; to make technical change; and to provide for related  
6 matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 32:863.2(A)(1), (2), (3), (4) and (6), (B), (C), (E)(1) and (2), (F)(1),  
9 (2), (4), (5), and (6) are hereby amended and reenacted and R.S. 32:863.2(7) is hereby  
10 enacted to read as follows:

11 §863.2. Notification of the cancellation or issuance of security; penalties; database  
12 development

13 A.(1) All entities providing security in compliance with R.S. 32:861 et seq.,  
14 hereinafter referred to as "security providers", whether admitted or nonadmitted  
15 (surplus line underwriter) insurance companies providing automobile liability  
16 policies, or sales representatives or agents of surety companies issuing motor vehicle  
17 liability bonds, or the state treasurer holding deposits, shall notify the ~~secretary~~



1 the insurance company, sales representative or agent, state treasurer, or other  
2 provider shall pay a late fee of not more than fifty dollars per policy, bond, or  
3 deposit, or other security item concerning which information is not supplied. If the  
4 security provider has reported this information for a policy, bond, deposit, or other  
5 security item for a commercial motor vehicle in an untimely manner, the deputy  
6 ~~secretary~~ **commissioner** shall impose the late fee unless the deputy secretary  
7 determines that the security provider made a good faith effort to comply with these  
8 requirements but the delay was caused by circumstances outside the security  
9 provider's control. All fees collected under this Subsection shall be deposited in the  
10 Bond Security and Redemption Fund as provided in R.S. 32:853(B)(2).

11 C. The ~~secretary~~ **commissioner** shall keep a record of the information  
12 received from security providers concerning coverage of vehicles and persons by  
13 security required by R.S. 32:861, which information may be stored through  
14 automated electronic data processing means. After the department has complete  
15 vehicle liability security records, upon written request including the driver's license  
16 number for each person, the vehicle identification number for each vehicle, and the  
17 payment of a fee of fifteen dollars for each vehicle owned by a person about which  
18 inquiry is made, the ~~secretary~~ **commissioner** shall forward to the inquiring party  
19 such vehicle and driver liability security information as is contained in the records  
20 of the department. If the department's search of its records fails to show the existence  
21 of any liability insurance or other security as of the date about which inquiry is made,  
22 an official of the department will issue a sworn, notarized affidavit to that effect.  
23 Such an affidavit shall be prima facie evidence that on the date in question, the  
24 person or vehicle about which inquiry was made did not have in effect a policy of  
25 liability insurance or other security as required by law. The fee collected pursuant  
26 to this Section shall be remitted by the ~~secretary~~ **commissioner** to the state treasurer  
27 to be credited to the Bond Security and Redemption Fund as provided in R.S.  
28 32:853(B)(2).

29 \* \* \*

1 E.(1) Prior to taking any administrative action based on the receipt of a notice  
2 of cancellation of insurance or other security, the ~~secretary~~ **commissioner** shall  
3 notify the person who is the subject of the notice at his last known driver's license  
4 address, of cancellation of the receipt of that notice. The notice of receipt of a notice  
5 of cancellation shall be in writing. The notice shall inform the subject that he has ten  
6 calendar days from the date of the notice in which he may surrender the license  
7 plates of the vehicle in order to avoid the fees prescribed by R.S. 32:863(A)(3)(a).  
8 The person to whom the notice is addressed shall have thirty days to respond to the  
9 notice. The response may be made by mail.

10 (2) If the person to whom the notice is addressed is able to show that the  
11 insurance or other security was canceled for a legitimate reason, the ~~secretary~~  
12 **commissioner** shall take no administrative action against that person. Legitimate  
13 reasons for cancellation of insurance or other security shall include but shall not be  
14 limited to the transfer of ownership of the vehicle or the surrender of the license plate  
15 of the formerly insured vehicle. If the vehicle is sold within ten calendar days after  
16 the date liability security on the vehicle was cancelled or its license plate is  
17 surrendered within ten calendar days of the date of notice sent pursuant to Paragraph  
18 (1) of this Subsection, no administrative action shall be taken. The transfer of  
19 ownership of the vehicle may be established by presenting to the ~~secretary~~  
20 **commissioner** a copy of the title transfer or a copy of the act of sale, donation,  
21 exchange, surrender to a salvage yard, or other transaction.

22 \* \* \*

23 F.(1) The ~~secretary~~ **commissioner** shall formulate criteria to develop and  
24 initiate a request for proposals to procure and implement a real-time system to  
25 quickly and accurately identify and verify the existence of motor vehicle insurance  
26 or other security required in compliance with the Motor Vehicle Safety  
27 Responsibility Law using advanced telecommunications and computer technology.

28 (2) The criteria established by the ~~secretary~~ **commissioner** shall be developed  
29 only after consulting with an advisory group consisting of the commissioner of

1 insurance or his designee, the superintendent of state police or his designee, the  
 2 executive director of the Louisiana Highway Safety Commission or his designee, and  
 3 five additional members, one representing the American Insurance Association, one  
 4 representing the Property Casualty Insurance Association of America, one selected  
 5 from a list of names submitted by the three insurers with the largest market share of  
 6 automobile insurance in Louisiana, one from the Louisiana Association of Fire and  
 7 Casualty Companies, and one from the Louisiana Independent Agents Association.

8 \* \* \*

9 (4) The system developed pursuant to this Subsection may initially be  
 10 implemented by the ~~secretary~~ **commissioner** as a six-month pilot program to be  
 11 developed and implemented statewide upon expiration of the six-month period.

12 (5) **The commissioner may authorize a third party vendor or designated**  
 13 **agent to conduct a motor vehicle registration plate inquiry at the request of law**  
 14 **enforcement through the state insurance verification system solely for the**  
 15 **purpose of verifying compliance with motor vehicle liability insurance**  
 16 **requirements as needed by law enforcement agencies.**

17 (6) The ~~secretary~~ **commissioner** shall require such information as may be  
 18 necessary from automobile insurers or their representatives and the state treasurer as  
 19 is needed to assist the contractor in developing the system as such relates to the  
 20 cancellation or issuance of motor vehicle liability security or deposit of sufficient  
 21 security with the state treasurer in order to operate a motor vehicle in this state.

22 ~~(6)~~ (7) The ~~secretary~~ **commissioner** shall promulgate rules and regulations  
 23 to implement the provisions of this Subsection.

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The original instrument and the following digest, which constitutes no part  
 of the legislative instrument, were prepared by Senate Legislative Services.  
 The keyword, summary, and digest do not constitute part of the law or proof  
 or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

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makes technical corrections.

Present law provides the secretary formulate criteria, develop and initiate proposals to procure and implement a real-time system to quickly and accurately identify and verify the existence of motor vehicle insurance or other security required in compliance with the Motor Vehicle Safety Responsibility Law using advanced telecommunications and computer technology. Proposed law makes technical corrections. Proposed law further provides the commissioner may authorize a third party vendor or designated agent to conduct a motor vehicle registration plate inquiry at the request of law enforcement for the purpose of verifying compliance with motor vehicle liability insurance requirements as needed by law enforcement agencies.

Effective August 1, 2026.

(Amends R.S. 32:863.2(A)(1), (2), (3), (4) and (6), (B), (C), (E)(1) and (2), (F)(1), (2), (4), (5), and (6); adds R.S. 32:863.2(7))